

Senate Bill No. 1630

CHAPTER 676

An act to amend Section 11019 of the Government Code, and to amend Sections 4433.5, 4474.1, 4520, 4521, 4521.5, 4522, 4523, 4525, 4530, 4535, 4540, 4550, 4551, 4552, 4561, 4564, 4565, 4567, 4568, 4691, and 4712 of, to amend the heading of Article 7 (commencing with Section 4550) of Chapter 2 of Division 4.5 of, to add Sections 4521.6, 4552.5, and 4555 to, to add Article 6 (commencing with Section 4543) to Chapter 2 of, to repeal Sections 4542 and 4554 of, to repeal and add Sections 4553, 4562, and 4563 of, and to repeal and add Chapter 4 (commencing with Section 4570) of, Division 4.5 of, the Welfare and Institutions Code, relating to services for the developmentally disabled, and making an appropriation therefor.

[Approved by Governor September 17, 2002. Filed
with Secretary of State September 18, 2002.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1630, Chesbro. Services for the developmentally disabled: state council: area boards.

Under existing law, services are provided to persons with developmental disabilities and their families pursuant to the authority of various entities, including the State Department of Developmental Services, the State Council on Developmental Disabilities, and on a localized level, area boards on developmental disabilities. Under existing law, membership appointments for the council and the boards are made by the Governor and the governing bodies of each county, in accordance with specified criteria. Existing law also establishes the Organization of Area Boards, consisting of the respective chairpersons or their designees from among the volunteer board members of the individual boards. In addition, existing federal law, the Developmental Disabilities Assistance and Bill of Rights Act of 2000, imposes specified requirements on states that provide services to persons with developmental disabilities, as a condition of receiving federal funding.

This bill would recast and revise the provisions relating to the composition, powers, and duties of the council and the boards, and would make various technical and conforming changes, including changes to conform state law with federal requirements. The bill would increase the membership of the council from 19 to 29, would specify that one member of each area board shall serve on the council, and would revise the Governor's other council appointments. The bill would

eliminate the Organization of Area Boards, and would transfer certain of its powers and duties to the council.

This bill would provide that, as of January 1, 2003, no further expenditures shall be charged against a specified item of the Budget Act of 2002 for support of area boards on developmental disabilities. The bill would further require all remaining area board appropriation authority to be transferred to another specified budget item, for support of the State Council on Developmental Disabilities, thereby making an appropriation.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 11019 of the Government Code is amended to read:

11019. (a) Any department or authority specified in subdivision (b) may, upon determining that an advance payment is essential for the effective implementation of a program within the provisions of this section, and to the extent funds are available, advance to a community-based private nonprofit agency with which it has contracted, pursuant to federal law and related state law, for the delivery of services, not to exceed 25 percent of the annual allocation to be made pursuant to the contract and those laws during the fiscal year to the private nonprofit agency. Advances in excess of 25 percent may be made on contracts financed by a federal program when the advances are not prohibited by federal guidelines. Advance payments may be provided for services to be performed under any contract with a total annual contract amount of four hundred thousand dollars (\$400,000) or less. This amount shall be increased by 5 percent, as determined by the Department of Finance, for each year commencing with 1989. Advance payments may also be made with respect to any contract that the Department of Finance determines has been entered into with any community-based private nonprofit agency with modest reserves and potential cashflow problems. No advance payment shall be granted if the total annual contract exceeds four hundred thousand dollars (\$400,000), without the prior approval of the Department of Finance.

The specific departments and authority mentioned in subdivision (b) shall develop a plan to establish control procedures for advance payments. Each plan shall include a procedure whereby the department or authority determines whether or not an advance payment is essential for the effective implementation of a particular program being funded. Each plan shall be approved by the Department of Finance.



(b) Subdivision (a) shall apply to the Emergency Medical Service Authority, the California Department of Aging, the State Department of Developmental Services, the State Department of Alcohol and Drug Programs, the Department of Corrections, the Department of Economic Opportunity, the Employment Development Department, the State Department of Health Services, the State Department of Mental Health, the Department of Rehabilitation, the State Department of Social Services, the Department of Child Support Services, the Department of the Youth Authority, the State Department of Education, the area boards on developmental disabilities, the State Council on Developmental Disabilities, the Office of Statewide Health Planning and Development, and the California Environmental Protection Agency, including all boards and departments contained therein.

Subdivision (a) shall also apply to the California Health and Human Services Agency, which may make advance payments, pursuant to the requirements of that subdivision, to multipurpose senior services projects as established in Sections 9400 to 9413, inclusive, of the Welfare and Institutions Code.

Subdivision (a) shall also apply to the Resources Agency, including all boards and departments contained in that agency, which may make advance payments pursuant to the requirements of that subdivision with respect to grants and contracts awarded to certified local community conservation corps.

(c) A county may, upon determining that an advance payment is essential for the effective implementation of a program within the provisions of this section, and to the extent funds are available, and not more frequently than once each fiscal year, advance to a community-based private nonprofit agency with which it has contracted, pursuant to any applicable federal or state law, for the delivery of services, not to exceed 25 percent of the annual allocation to be made pursuant to the contract and those laws, during the fiscal year to the private nonprofit agency.

SEC. 2. Section 4433.5 of the Welfare and Institutions Code is amended to read:

4433.5. Notwithstanding Section 4433, the department may contract with the State Council on Developmental Disabilities for the purpose of utilizing area boards to provide clients' rights advocacy services to individuals with developmental disabilities who reside in developmental centers and state hospitals. It is the intent of the Legislature that area boards maintain local discretion in the provision of these advocacy services. The state council shall not direct the advocacy services provided by area boards pursuant to this contract, except when necessary to ensure compliance with the contracts.



SEC. 3. Section 4474.1 of the Welfare and Institutions Code is amended to read:

4474.1. (a) Whenever the State Department of Developmental Services proposes the closure of a state developmental center, the department shall be required to submit a detailed plan to the Legislature not later than April 1 immediately prior to the fiscal year in which the plan is to be implemented, and as a part of the Governor's proposed budget. No plan submitted to the Legislature pursuant to this section, including any modifications made pursuant to subdivision (b), shall be implemented without the approval of the Legislature.

(b) A plan submitted on or before April 1 immediately prior to the fiscal year in which the plan is to be implemented may be subsequently modified during the legislative review process.

(c) Prior to submission of the plan to the Legislature, the department shall solicit input from the State Council on Developmental Disabilities, the Association of Regional Center Agencies, the protection and advocacy agency specified in Section 4901, the local area board on developmental disabilities, the local regional center, consumers living in the developmental center, parents, family members, guardians, and conservators of persons living in the developmental centers or their representative organizations, persons with developmental disabilities living in the community, developmental center employees and employee organizations, community care providers, the affected city and county governments, and business and civic organizations, as may be recommended by local state Senate and Assembly representatives.

(d) Prior to the submission of the plan to the Legislature, the department shall confer with the county in which the developmental center is located, the regional centers served by the developmental center, and other state departments using similar occupational classifications, to develop a program for the placement of staff of the developmental center planned for closure in other developmental centers, as positions become vacant, or in similar positions in programs operated by, or through contract with, the county, regional centers, or other state departments.

(e) Prior to the submission of the plan to the Legislature, the department shall hold at least one public hearing in the community in which the developmental center is located, with public comment from that hearing summarized in the plan.

(f) The plan submitted to the Legislature pursuant to this section shall include all of the following:

(1) A description of the land and buildings affected.

(2) A description of existing lease arrangements at the developmental center.



- (3) The impact on residents and their families.
- (4) Anticipated alternative placements for residents.
- (5) The impact on regional center services.
- (6) Where services will be obtained that, upon closure of the developmental center, will no longer be provided by that facility.
- (7) Potential job opportunities for developmental center employees and other efforts made to mitigate the effect of the closure on employees.
- (8) The fiscal impact of the closure.
- (9) The timeframe in which closure will be accomplished.

SEC. 4. Section 4520 of the Welfare and Institutions Code is amended to read:

4520. (a) The Legislature finds that services for persons with developmental disabilities constitute a major expenditure of public funds, that these programs are provided by hundreds of public and private statewide and local agencies, that the legal, civil, and service rights of persons with developmental disabilities are frequently denied, and that there is no effective method for planning and coordinating the state's resources to assure these rights. Therefore, a State Council on Developmental Disabilities with authority independent of any single state service agency is needed and is hereby created.

(b) The Legislature further finds that the state faces unique challenges because of its size and diversity, and neighborhoods and communities lack the support necessary to monitor system functions and ensure the legal, civil, and service rights of persons with developmental disabilities. Therefore, local area boards on developmental disabilities shall be established to conduct the local advocacy, capacity building, and systemic change activities required by the federal Developmental Disabilities Assistance and Bill of Rights Act of 2000 (Public Law 106-402 (42 U.S.C. Sec. 15001)).

(c) This chapter, Chapter 3 (commencing with Section 4560), and Chapter 4 (commencing with Section 4570), and Division 4.7 (commencing with Section 4900), are intended by the Legislature to secure full compliance with the requirements of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (Public Law 106-402), as amended and extended, which provides federal funds to assist the state in planning, coordinating, monitoring, and evaluating services for persons with developmental disabilities and in establishing a system to protect and advocate the legal and civil rights of persons with developmental disabilities.

SEC. 5. Section 4521 of the Welfare and Institutions Code is amended to read:

4521. (a) All references to "state council" in this part shall be a reference to the State Council on Developmental Disabilities.



(b) There shall be 29 voting members on the state council appointed by the Governor, as follows:

(1) One member from each of the 13 area boards on developmental disabilities described in Article 6 (commencing with Section 4543), nominated by the area board to serve as a council member, who shall be persons with a developmental disability, as defined in Section 15002(8) of Title 42 of the United States Code, or parents, siblings, guardians or conservators of these persons residing in California. Five of these members shall be persons with a developmental disability, as defined in Section 15002(8) of Title 42 of the United States Code, three shall be parents, siblings, guardians, or conservators of persons with developmental disabilities, and five shall be either a person with a developmental disability or a parent, sibling, guardian, or conservator of a person with a developmental disability. The nominee from each area board shall be an area board member who was appointed by the Governor.

(2) Ten members of the council shall include the following:

(A) The Secretary of the California Health and Human Services Agency, or his or her designee, who shall represent the agency and the state agency that administers funds under Title XIX of the Social Security Act for people with developmental disabilities.

(B) The Director of Developmental Services or his or her chief deputy.

(C) The Director of Rehabilitation or his or her chief deputy.

(D) The Superintendent of Public Instruction or his or her designee.

(E) A representative from a nongovernmental agency or group concerned with the provision of services to persons with developmental disabilities.

(F) One representative from each of the two university centers for excellence in the state, pursuant to 42 U.S.C. Section 15061 et seq., providing training in the field of developmental services. These individuals shall have expertise in the field of developmental disabilities.

(G) The Director of Health Services or his or her chief deputy.

(H) A member of the board of directors of the agency established in California to fulfill the requirements and assurance of Section 142 of the Developmental Disabilities Act of 1984 for a system to protect and advocate the rights of persons with developmental disabilities.

(I) The Director of Aging or his or her chief deputy.

(3) Six members at large, appointed by the Governor, as follows:

(A) Two shall be persons with developmental disabilities, as defined in Section 15002(8) of Title 42 of the United States Code.



(B) One shall be a person who is a parent, sibling, guardian, or conservator of a resident of a developmental center.

(C) One shall be a person who is a parent, sibling, guardian, or conservator of a person with a developmental disability living in the community.

(D) One shall be a person who is a parent, sibling, guardian, or conservator of a person with a developmental disability living in the community, nominated by the Speaker of the Assembly.

(E) One shall be a person with developmental disabilities, as defined in Section 15002(8) of Title 42 of the United States Code, nominated by the Senate Committee on Rules.

(c) Prior to appointing the 29 members pursuant to this section, the Governor shall request and consider recommendations from organizations representing, or providing services to, or both, persons with developmental disabilities, and shall take into account socioeconomic, ethnic, and geographic considerations of the state.

(d) The term of each member described in subdivision (b) shall be for three years; provided, however, of the members first appointed by the Governor pursuant to paragraph (1) of subdivision (b), five shall hold office for three years, four shall hold office for two years, and four shall hold office for one year. In no event shall any member described in subdivision (b) serve for more than a total of six years of service. Service by any individual on any state council on developmental disabilities existing on and after January 1, 2003, shall be included in determining the total length of service.

(e) Members appointed to the state council prior to June 1, 2002, shall continue to serve until the term to which they were appointed expires. Members appointed on June 1, 2002, or thereafter shall have their terms expire on January 1, 2003.

(f) Notwithstanding subdivision (c) of Section 4546, members described in subdivision (b) shall continue to serve on the area board following the expiration of their term on the area board until their term on the state council has expired.

(g) A member may continue to serve following the expiration of his or her term until the Governor appoints that member's successor. The state council shall notify the Governor regarding membership requirements of the council and shall notify the Governor at least 60 days before a member's term expires, and when a vacancy on the council remains unfilled for more than 60 days.

SEC. 6. Section 4521.5 of the Welfare and Institutions Code is amended to read:

4521.5. Notwithstanding Section 7.5 of the Government Code, for purposes of this chapter, the Secretary of Health and Human Services,



the Director of Developmental Services, the Director of the Department of Rehabilitation, and the Director of the California Department of Aging may designate his or her chief deputy of his or her department or agency to act as the member in his or her place and stead to all intents and purposes as though the director or secretary were personally present, including the right of the chief deputy to be counted in constituting a quorum to participate in the proceeding of the state council and to vote upon any and all matters.

Each chief deputy so designated shall have the right to represent the director or secretary who appointed him or her regardless of the number of other deputies designated to represent directors or secretaries at a particular meeting or session of the state council. Each chief deputy shall represent only one director or secretary at any meeting or session of the state council.

SEC. 7. Section 4521.6 is added to the Welfare and Institutions Code, to read:

4521.6. For purposes of this chapter, the Governor's appointment of the Secretary of Health and Human Services, the Director of the California Department of Aging, Director of Developmental Services, Director of Health Services, and Director of the Department of Rehabilitation shall also constitute his or her appointment as a member of the State Council on Developmental Disabilities.

SEC. 8. Section 4522 of the Welfare and Institutions Code is amended to read:

4522. Nothing in this chapter shall prevent the reappointment or replacement of any individual presently serving on the existing state council if the reappointment or replacement is in conformity with all of the criteria established in this chapter.

SEC. 9. Section 4523 of the Welfare and Institutions Code is amended to read:

4523. Persons appointed to membership on the state council shall have demonstrated interest and leadership in human service activities, including interest in Californians who have developmental disabilities, their families, services, and supports.

SEC. 10. Section 4525 of the Welfare and Institutions Code is amended to read:

4525. (a) In order to prevent any potential conflicts of interest, members of the state council may not be employees of a state, local, or private agency or facility that provides services to persons with a developmental disability, or be members of the governing board of any entity providing the service, when the service is funded in whole or in part with state funds.



(b) For purposes of this section, “employees of a state, local, or private agency or facility that provides services to persons with a developmental disability” shall not be deemed to include any of the following:

(1) A parent, relative, guardian or conservator, who receives public funds expressly for the purpose of providing direct services to his or her child, relative, ward or conservatee, respectively, who is a person with a developmental disability.

(2) A person with a developmental disability who receives employment services through a provider receiving state or federal funds.

(3) A person who serves as a member of an area board.

(c) This section shall not apply to the appointments made pursuant to subparagraphs (A), (B), (C), (D), (F), (G), (H), and (I) of paragraph (2) of subdivision (b) of Section 4521.

SEC. 11. Section 4530 of the Welfare and Institutions Code is amended to read:

4530. For administrative purposes only, the state council shall be attached to the California Health and Human Services Agency. The agency secretary shall ensure the state council is provided efficient accounting, financial management, personnel, and other reasonable support services when requested by the council in the performance of its mandated responsibilities.

The attachment of the state council to the California Health and Human Services Agency shall not limit the council’s scope of concern to health programs or limit the council’s responsibilities or functions regarding all other pertinent state and local programs, as defined in Article 5 (commencing with Section 4540) of this chapter.

The administrative attachment of the state council to the California Health and Human Services Agency shall not be construed to interfere in any way with the provisions of Section 4552 requiring all personnel employed by the council to be solely responsible, organizationally and administratively, to the council.

SEC. 12. Section 4535 of the Welfare and Institutions Code is amended to read:

4535. (a) The state council shall meet at least six times each year, and, on call of its chairperson, as often as necessary to fulfill its duties. All meetings and records of the state council shall be open to the public.

(b) The state council shall, by majority vote of the voting members, elect its own chairperson and vice chairperson who shall have full voting rights on all state council actions, from among the appointed members, described in paragraph (1), (3), or (4) of subdivision (b) of Section 4521, and shall establish any committees it deems necessary or desirable. The chairperson shall appoint all members of committees of the state council.



The chairs and vice chairs of the state council and its standing committees shall be individuals with a developmental disability, or the parent, sibling, guardian, or conservator of an individual with a developmental disability.

(c) The state council may appoint technical advisory consultants and may establish committees composed of professional persons serving persons with developmental disabilities as necessary for technical assistance. The state council may call upon representatives of all agencies receiving state or federal funds for assistance and information, and shall invite persons with developmental disabilities, their parents, guardians, or conservators, professionals, or members of the general public to participate on state council committees, when appropriate.

(d) When convening any task force or advisory group, the state council shall make its best effort to ensure representation by consumers and family members representing the state's multicultural diversity.

SEC. 13. Section 4540 of the Welfare and Institutions Code is amended to read:

4540. In order to comply with the intent and requirements of this division and Public Law 106-402 (42 U.S.C. Sec. 15001 et seq.), the state council, in addition to any other responsibilities established under this division and to the extent that resources are available, shall do all of the following:

(a) Serve as the "state planning council" responsible for developing the "California Developmental Disabilities State Plan," in accordance with requirements issued by the United States Secretary of Health and Human Services, monitoring and evaluating the implementation of this plan, reviewing and commenting on other plans and programs in the state affecting persons with developmental disabilities, and submitting these reports as the United States Secretary of Health and Human Services may reasonably request.

(b) Serve as the official agency responsible for planning the provision of the federal funds allotted to the state under Public Law 106-402 (42 U.S.C. Sec. 15001 et seq.), and apportion these funds among agencies and area developmental disabilities boards in compliance with applicable state and federal law.

(c) Prepare and approve a budget, for the use of amounts paid to the state to hire any staff and to obtain the services of any professional, technical, or clerical personnel consistent with state and federal law, as the council determines to be necessary to carry out its functions.

(d) (1) Conduct activities related to meeting the objectives of the state plan. To the extent that resources are available, these activities shall include all of the following:



(A) Through support of the area boards, engaging in geographically based outreach and individual and systemic advocacy to assist and enable individuals and families to obtain services, supports, and other forms of assistance.

(B) Support and conduct technical assistance activities to assist public and private entities to contribute to the objectives of the state plan.

(C) Support and conduct activities to promote interagency collaboration and coordination at the state and local levels.

(D) Support and conduct activities to educate the public about the capabilities, preferences, and needs of individuals with developmental disabilities and their families, and to develop and support coalitions that support the policy agenda of the council, including training in self-advocacy, education of policymakers, and citizen leadership roles.

(E) Support and conduct activities to provide information to policymakers.

(2) These activities may also include, but shall not be limited to, all of the following:

(A) Support and conduct training for persons with developmental disabilities, their families, and personnel, to enable these individuals to obtain access to, or to provide, community services, individualized supports, and other forms of assistance.

(B) Support and conduct activities to assist neighborhoods and communities to respond positively to individuals with disabilities and their families.

(C) Support and conduct activities to eliminate barriers to access and use of community services by individuals with developmental disabilities, enhance system design and redesign, and enhance citizen participation.

(D) Support and conduct, on a time-limited basis, activities to demonstrate new approaches to serving individuals with developmental disabilities that are a part of an overall strategy for systemic change.

(e) Conduct other activities, including, but not limited to, public hearings and forums and the evaluation and issuance of public reports on the programs identified in the state plan, as may be necessary to carry out the duties of the state council.

(f) Review and comment on pertinent portions of the proposed plans and budgets of all state agencies serving persons with developmental disabilities to include, but not be limited to, the State Department of Education, the Department of Rehabilitation, and the State Department of Developmental Services. This review may include public hearings prior to the submission of the Governor's Budget to the Legislature, with advice directed to the Governor, and after introduction of the Governor's Budget, with advice directed to the Legislature.



(g) Prepare an annual written report of its activities, its recommendations, and an evaluation of the efficiency of the administration of this division to the Governor and the Legislature.

This report shall include both the statewide activities of the state council and the local activities of the area boards.

(h) Review and publicly comment on significant regulations proposed to be promulgated by any state agency in the implementation of this division.

(i) Monitor the execution of this division and report directly to the Governor and the Legislature any delay in the rapid execution of this division.

(j) Be responsible for monitoring and evaluating the effectiveness of appeals procedures established in this division.

(k) Provide testimony to legislative committees reviewing fiscal or policy matters pertaining to persons with developmental disabilities.

(l) Conduct, or cause to be conducted, investigations or public hearings to resolve disagreements between state agencies, or between state and regional or local agencies, or between persons with developmental disabilities and agencies receiving state funds. These investigations or public hearings shall be conducted at the discretion of the state council only after all other appropriate administrative procedures for appeal, as established in state and federal law, have been fully utilized.

Except as otherwise provided in this division, the state council shall not engage in the administration of the day-to-day operation of service programs identified in the state plan, nor in the financial management and accounting of funds. These activities shall be performed by appropriate agencies designated in the state plan.

(m) To the greatest extent possible, area boards shall participate in conducting the activities described in this section.

SEC. 14. Section 4542 of the Welfare and Institutions Code is repealed.

SEC. 15. Article 6 (commencing with Section 4543) is added to Chapter 2 of Division 4.5 of the Welfare and Institutions Code, to read:

Article 6. Area Boards on Developmental Disabilities

4543. (a) Because of the vast size, complexity, and diversity of the State of California, the Legislature finds that the planning activities of the State Council on Developmental Disabilities depend upon the direct involvement of local representatives familiar with the structure and operation of services and programs for persons with developmental disabilities. The Legislature further finds that the legal, civil, and service



rights of persons with developmental disabilities cannot be adequately guaranteed throughout the state, and the state plan cannot be implemented, unless monitoring responsibility is established on a regional basis through area boards on developmental disabilities.

(b) For administrative purposes and to ensure compliance with federal and state laws, the area boards shall be attached to the state council.

4544. The area boards in existence as of January 1, 2003, shall continue to exist, within the same geographic regions of the state after January 1, 2003, but shall thereafter be constituted and shall operate according to this article.

4545. The State Council on Developmental Disabilities shall periodically conduct a thorough review of the geographic boundaries served by area boards to determine whether existing area board boundaries should be changed, or additional area boards should be established to more effectively implement this division. In conducting this review, the state council shall seek input from area boards, persons with developmental disabilities, family members, service providers, advocates, and other interested parties. Prior to recommending the establishment of new geographic boundaries, the state council shall hold a public hearing within any existing area board geographic area affected by the proposed change. The state council shall submit to the Governor and the Legislature any recommendations for changes in area board boundaries or recommendations that additional area boards be established. Any area board established after January 1, 2003, shall nominate a member to be appointed by the Governor as a voting member of the state council pursuant to Section 4521.

4546. After January 1, 2003, area boards shall be comprised as follows:

(a) For areas consisting of one to four counties, the area board shall consist of a total of 12 voting members appointed by the governing bodies of the counties, each county appointing an equal number of voting members, and five voting members appointed by the Governor.

(b) For areas consisting of five to seven counties, the area board shall consist of two voting members appointed by the governing body of each county, and five voting members appointed by the Governor.

(c) For areas consisting of eight or more counties, the area board shall consist of one voting member appointed by the governing body of each county, and five members appointed by the Governor.

Of the members first appointed, five shall serve for one year, five shall serve for two years, and the remaining members shall serve for three years. Subsequent members shall serve for three years. In counties with



a population of more than 100,000, no member shall serve more than two consecutive three-year terms.

(d) The governing bodies of the counties in each area shall select their appointees from among the following groups, and, to the extent feasible, in the following proportions:

(1) Sixty percent from persons with developmental disabilities or the immediate relatives, guardians, or conservators of these persons.

(2) Forty percent from representatives of the general public.

(e) The appointments made by the Governor shall meet the requirements of paragraph (1) of subdivision (b) of Section 4521.

(f) (1) Prior to making their appointments, the Governor and the governing bodies of counties shall request recommendations from professional organizations, from organizations within the area representing persons with developmental disabilities, and from organizations and agencies within the area that deliver services to these individuals.

(2) In making their appointments, the Governor and the governing bodies of counties shall appoint persons who have demonstrated interest and leadership in human service activities.

(g) (1) In order to prevent any potential conflicts of interest, voting members of area boards shall not be employees of a state, local, or private agency or facility that provides service to a person with a developmental disability, or be members of the governing board of any entity providing this service, when the service is funded in whole or in part with state funds.

(2) For purposes of this section “employees of a state, local, or private agency or facility that provides services to a person with a developmental disability” shall not be deemed to include any of the following:

(A) A parent, relative, guardian, or conservator who receives public funds expressly for the purpose of providing direct services to his or her child, relative, ward, or conservatee, respectively, who is a person with a developmental disability.

(B) A person with a developmental disability who receives employment services through a provider receiving state or federal funds.

(C) A person who serves as a member of the state council.

(h) The Governor shall give consideration to the relative populations of the counties within the area in selecting appointees to the area boards.

(i) A member may continue to serve following the expiration of his or her term until the Governor or appointing body of the county appoints that member’s successor. The state council shall notify the Governor or the appointing body of the county regarding membership requirements of the area boards and shall notify the Governor or the appointing body



of the county at least 60 days before a member's term expires, and when a vacancy on an area board remains unfilled for more than 60 days.

(j) All members of the area board shall be residents of the area.

(k) The members of an area board shall serve without compensation, but shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of their duties as members of the board or of committees established by the board.

4547. (a) Each area board shall meet at least quarterly, and on call of the board chairperson, as often as necessary to fulfill its duties. All meetings and records of the area board shall be open to the public.

(b) (1) Each area board shall, by majority vote of the voting members, elect its own chairperson from among the appointed members who are persons with developmental disabilities, or immediate relatives, guardians, or conservators of these persons, and shall establish any committees it deems necessary or desirable. The board chairperson shall appoint all members of committees of the area board.

(2) An area board may call upon representatives of all agencies receiving state funds, for assistance and information, and shall invite persons with developmental disabilities, their immediate relatives, guardians, or conservators, professionals, or members of the general public to participate on area board committees.

(3) When convening any task force or advisory group, the area board shall make its best effort to ensure representation by consumers and family members representing the community's multicultural diversity.

4548. (a) Area boards shall locally assist the state council with the implementation of subtitles A and B of Title I of Public Law 106-402 (42 U.S.C. Sec. 15001 et seq.).

(b) Area boards shall protect and advocate the rights of all persons in the area with developmental disabilities.

(c) Area boards shall conduct capacity building activities and provide advocacy for systemic change.

(d) (1) The area board shall have the authority to pursue legal, administrative, and other appropriate remedies to ensure the protection of the legal, civil, and service rights of persons who require services or who are receiving services in the area. In carrying out this responsibility, area boards may appoint a representative to assist the person in expressing his or her desires and in making decisions and advocating his or her needs, preferences, and choices, where the person with developmental disabilities has no parent, guardian, or conservator legally authorized to represent him or her and the person has either requested the appointment of a representative or the rights or interests of the person, as determined by the area board, will not be properly protected or advocated without the appointment of a representative.



(2) Where there is no guardian or conservator, the person's choice, if expressed, including the right to reject the assistance of a representative, shall be honored. If the person does not express a preference, the order of preference for selection of the representative shall be the person's parent, involved family member, or a volunteer selected by the area board. In establishing these preferences, it is the intent of the Legislature that parents or involved family members shall not be required to be appointed guardian or conservator in order to be selected. Unless the consumer expresses otherwise, or good cause otherwise exists, the request of the parents or involved family members to be appointed the representative shall be honored.

(3) Where appropriate pursuant to this section, the area board shall appoint a representative to advocate the rights and protect the interests of a person residing in a developmental center for whom community placement is proposed pursuant to Section 4803.

(4) The area board shall identify any evidence of the denial of these rights, shall inform the appropriate local, state, or federal officials of their findings, and shall assist these officials in eliminating all forms of discrimination against persons with developmental disabilities in housing, recreation, education, health and mental health care, employment, and other service programs available to the general population.

(e) Area boards shall conduct, or cause to be conducted, public information programs for consumers, families, professional groups, and for the general public, to increase professional and public awareness of prevention and habilitation programs, and to eliminate barriers to social integration, employment, and participation of persons with developmental disabilities in all community activities.

(f) Area boards shall encourage and assist in the establishment or strengthening of self-advocacy organizations led by individuals with developmental disabilities.

(g) (1) To the extent that resources are available, area boards shall review the policies and practices of publicly funded agencies that serve or may serve persons with developmental disabilities, to determine if the programs are meeting their obligations under local, state, and federal laws. A regional center may notify the area board when the regional center believes a publicly funded program is failing to meet its obligations in serving persons with developmental disabilities. The regional center may provide the area board with a comprehensive summary of the issues and the statute or regulation alleged to be violated. If the area board finds that the agency is not meeting its obligations, the area board shall inform the director and the managing board of the noncomplying agency, in writing, of its findings.



(2) Within 15 days, the agency shall respond, in writing, to the area board's findings. Following receipt of the agency's response, if the area board continues to find that the agency is not meeting its obligations, the area board shall pursue informal efforts to resolve the issue.

(3) If, within 30 days of implementing informal efforts to resolve the issue, the area board continues to find that the agency is not meeting its obligations under local, state, or federal statutes, the area board shall conduct a public hearing to receive testimony on its findings.

(4) If the problem has not been resolved within 30 days following the public hearing, the area board may provide the state council with its findings and may request authorization to initiate legal action. An area board shall not initiate legal action without prior authorization from the state council. However, the area board may assist any other person, agency, or organization that may pursue litigation related to the area board's findings.

(5) The executive director of the state council shall review the findings developed pursuant to this subdivision and may conduct additional factfinding investigations. The executive director shall report his or her findings to the state council within 30 days and shall recommend a course of action to be pursued by the council, the area board, or other state administrative or legislative officials.

(6) The state council shall review the report of the executive director and shall take any action it deems necessary to resolve the problem. If the state council authorizes the area board to initiate legal action, the state council shall make legal assistance available to the area board pursuant to the legal services provisions of Public Law 106-402 (42 U.S.C. Sec. 15001 et seq.).

(h) Area boards shall encourage the development of needed services and supports of good quality that do not result in duplication, fragmentation of services, and unnecessary expenditures. Prior to providing additional funds for major expansion of existing programs, creation of new programs, or establishment of pilot projects to test new methodologies of service delivery for persons with developmental disabilities within an area board catchment area, the department or regional center, as appropriate, shall consult with the area board regarding the appropriateness of those program developments.

(i) In carrying out their review functions, area boards shall solicit the advice of knowledgeable professionals, consumers, and consumer representatives about problems within the service delivery system in the region. In enacting this article, it is the intent of the Legislature that the area boards not duplicate the functions assigned to other agencies that are routinely responsible for monitoring, regulating, or licensing programs for persons with developmental disabilities. Area boards may



call upon these agencies for information and assistance in order to carry out their responsibilities more effectively. Unless otherwise prohibited by law, these agencies shall provide information requested by the area boards, and shall cooperate fully in complying with all reasonable requests for assistance.

(j) (1) Area boards shall remain informed about the quality of services in the area, and shall inform appropriate state and local licensing agencies of alleged fire, safety, health, or other violations of legally established standards, in any facility providing service to persons with developmental disabilities, that may be brought to the attention of the area board.

(2) If an area board receives evidence of criminal misconduct by an individual or agency funded in whole or in part with state funds under this division, the area board shall immediately inform appropriate public safety agencies about the alleged misconduct.

(k) (1) Area boards shall cooperate with county coordinating councils on developmental disabilities, other regional planning bodies, and consumer organizations in the area. Area boards shall comply with the reasonable requests of these groups and may request the assistance of the groups in carrying out area board responsibilities.

(2) The governing body of any county within the area may request that the area board study or investigate programs in the county for persons with developmental disabilities. The area board shall cooperate with county governments to the fullest extent possible within the limitations of the resources of the board.

(l) Each area board shall submit to the state council a summary of its activities and accomplishments in the previous year. The state council, in consultation with area boards, shall determine the timing of, and format for, this summary.

(m) It is the intent of the Legislature that area boards shall maintain local discretion in conducting their advocacy activities. The state council shall not direct the advocacy activities of the area boards, except when specifically authorized by law, or when necessary to ensure compliance with federal requirements.

SEC. 16. The heading of Article 7 (commencing with Section 4550) of Chapter 2 of Division 4.5 of the Welfare and Institutions Code is amended to read:

Article 7. State Council and Area Board Costs and Support Services

SEC. 17. Section 4550 of the Welfare and Institutions Code is amended to read:



4550. The state council's operating costs shall include honoraria and actual and necessary expenses for council members, costs associated with the area boards, as described in this article, and other administrative, professional, and secretarial support services necessary to the operation of the state council. Federal developmental disability funds received by the state under Public Law 106-402 (42 U.S.C. Sec. 15001 et seq.), shall be allotted in any one year for these operating costs. Each member of the state council shall receive one hundred dollars (\$100) per day for each full day of work performed directly related to council business, not to exceed 50 days in any fiscal year, and shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of their duties under this division.

SEC. 18. Section 4551 of the Welfare and Institutions Code is amended to read:

4551. (a) (1) Within the limit of funds allotted for these purposes, the state council chairperson, with the concurrence of a majority of the state council, shall appoint an executive director and, pursuant to paragraph (1) of subdivision (c) of Section 4553, shall appoint an executive director for each area board. The Governor, upon the recommendation of the state council following consultation with the area boards, shall appoint a deputy director for area board operations. The Governor, upon recommendation of the executive director of the state council, shall appoint not more than two deputy directors. All other state council employees that the state council may require shall be appointed by the executive director, with the approval of the state council.

(2) The executive director, all deputy directors, and each area board executive director, shall be paid a salary that is comparable to the director, deputy director, or manager of other state boards, commissions, or state department regional offices with similar responsibilities. The executive director and three deputy directors of the state council and the executive director of each area board shall be exempt from civil service.

(b) Among other duties as the executive director of the state council may require, the deputy director for area board operations shall provide assistance to the area boards, including, but not limited to, resolving common problems, improving coordination, and fostering the exchange of information among the area boards and between the area boards and the state council.

(c) Each area board executive director employed by the state on December 31, 2002, shall continue to be employed in a job classification at the same or higher salary by the council on January 1, 2003, and thereafter, unless he or she resigns or is terminated from employment for good cause. The Executive Director of the Organization of Area Boards



on December 31, 2002, shall continue to be employed in a job classification at the same or higher salary by the council on January 1, 2003, and shall serve as the deputy director of area board operations unless he or she resigns or is terminated from employment for good cause.

SEC. 19. Section 4552 of the Welfare and Institutions Code is amended to read:

4552. The state council may contract for additional assistance with any public or private agency or individual to carry out planning, monitoring, evaluation, and other responsibilities under this division. In order to comply with Public Law 106-402 (42 U.S.C. Sec. 15001 et seq.) regulations, all personnel employed by the state council shall be solely responsible, organizationally and administratively, to the state council. The state council shall have responsibility for the selection, hiring, and supervision of all this personnel.

SEC. 20. Section 4552.5 is added to the Welfare and Institutions Code, to read:

4552.5. The state council may request information, records, and documents from any other agency of state government, except for confidential patient records. These agencies shall comply with the reasonable requests of the state council.

SEC. 21. Section 4553 of the Welfare and Institutions Code is repealed.

SEC. 22. Section 4553 is added to the Welfare and Institutions Code, to read:

4553. (a) The Legislature finds and declares that the advocacy, coordinating, appeals, and other related functions of area boards cannot be effectively provided unless area boards have staff support services from personnel directly responsible and accountable to the area board and state council. Area board staff shall be state employees of the state council.

(b) (1) Each area board shall provide to the state council all information and documentation required by the council to prepare and account for the expenditures of an annual budget that includes the basic funding necessary for the area boards to meet the requirements of applicable state and federal law. The state council, in consultation with the area boards, shall determine the timing of, and format for, the provision of this information and documentation. An area board may present for consideration by the state council a proposal for funds to support any additional activities of the area board not anticipated to be funded through their basic allocation. The state council shall review all area board proposals and shall determine the amount of federal funds under Public Law 106-402 (42 U.S.C. Sec. 15001 et seq.) that shall be



allotted to each area board. Nothing in this section shall prevent the appropriation of additional funds to the state council or area boards, or both, from the General Fund or other sources. These funds shall be used only for purposes of extending the activities of the state council or area boards, or both, as authorized by state or federal law.

(2) The state council may receive, on behalf of the council or on behalf of any area board, grants of funds in addition to any allocation of state funds or federal funds under Public Law 106-402 (42 U.S.C. Sec. 15001 et seq.), as authorized under this division. These funds shall be used only for purposes of extending the council's or area boards' activities as authorized by state or federal law.

(c) (1) Each area board shall have an executive director, nominated by the affirmative votes of a majority of the members of the area board, appointed by the executive director of the state council, and approved by the state council. The executive director shall select and supervise persons to serve in any staff positions as the area board and state council may authorize, pursuant to subdivision (a) of Section 4551. The affirmative votes of a majority of the members of the area board and approval of the state council shall be necessary for removal of an executive director by the executive director of the state council.

(2) Each area board, with the approval of the state council, may contract for additional assistance to carry out its duties as established by this division.

(3) Notwithstanding the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2), an area board may meet in executive session for purposes of discussing confidential matters, including, but not limited to, personnel matters.

SEC. 23. Section 4554 of the Welfare and Institutions Code is repealed.

SEC. 24. Section 4555 is added to the Welfare and Institutions Code, to read:

4555. Notwithstanding any other provision of law, any contract entered into between the State of California and the state council may provide for periodic advanced payments for services to be performed under the contract. No advanced payment made pursuant to this section shall exceed 25 percent of the total annual contract amount.

SEC. 25. Section 4561 of the Welfare and Institutions Code is amended to read:

4561. In order to integrate all relevant state planning and budgeting, and in order to comply with federal requirements, a California Developmental Disabilities State Plan shall be prepared by the state council not less often than once every five years, and shall be reviewed



and revised, as necessary, on an annual basis. All references in this part to “state plan” shall be references to the California Developmental Disabilities State Plan.

The state plan shall include, but not be limited to, all state plan requirements contained in subtitles A and B of Title I of Public Law 106-402 (42 U.S.C. Sec. 15001 et seq.), or requirements established by the United States Secretary of Health and Human Services.

SEC. 26. Section 4562 of the Welfare and Institutions Code is repealed.

SEC. 27. Section 4562 is added to the Welfare and Institutions Code, to read:

4562. (a) The state council and the area boards on developmental disabilities shall conduct activities necessary to develop or implement the state plan in the various regions of the state.

(b) In preparing this plan, the council shall utilize information provided by the area boards, statewide and local entities, individuals with developmental disabilities, family members, and other interested parties, to help identify and prioritize actions needed to improve California’s system of services and supports for persons with developmental disabilities. The purpose of the plan shall be to ensure a coordinated and comprehensive system of community services and supports that is consumer and family centered and consumer and family directed, and to enable individuals with developmental disabilities to exercise self-determination, independence, productivity, and to be integrated and included in all facets of community life.

SEC. 28. Section 4563 of the Welfare and Institutions Code is repealed.

SEC. 29. Section 4563 is added to the Welfare and Institutions Code, to read:

4563. (a) Area boards shall assess the extent to which services, supports, and other forms of assistance are available to individuals with developmental disabilities and their families within the area board catchment area, and shall make recommendations of objectives in both policy reform and service demonstration, based on identified service and support needs and priorities within the area board catchment area, to be included in the state plan.

(b) Area boards shall participate with the state council in the development and implementation of the state plan and shall submit any information concerning the area’s services, needs, and priorities to the state council in a time and format as may be required to meet federal reporting requirements.

SEC. 30. Section 4564 of the Welfare and Institutions Code is amended to read:



4564. The state council, in conjunction with the area boards, shall conduct open hearings on the state plan and related budgetary issues prior to submission of the plan pursuant to Section 4565.

SEC. 31. Section 4565 of the Welfare and Institutions Code is amended to read:

4565. The state plan shall be given to the Governor, the Secretary of the California Health and Human Services Agency, the protection and advocacy agency designated by the Governor to fulfill the requirements and assurances of the federal Developmental Disabilities Assistance and Bill of Rights Act of 2000, the Superintendent of Public Instruction, the Legislature, and to the chairpersons of all area boards for review and comment prior to its submission by the chairperson of the state council to the United States Secretary of Health and Human Services.

Copies of the state plan shall be provided, no later than November 1 of each year, to the Director of Finance and to the Legislature for guidance in the development of the Governor's Budget and legislative review of the budget, and for guidance in other legislation pertaining to programs for persons with developmental disabilities.

SEC. 32. Section 4567 of the Welfare and Institutions Code is amended to read:

4567. All state agencies shall cooperate with the reasonable requests of the state council by providing information to the state council in the preparation of the state plan. Any expenditures incurred by state agencies in providing this assistance to the state council shall be identified in the state plan and in the state agency's annual budget. These expenditures may be funded in whole or in part by state funds appropriated as the required state share of the developmental disabilities program, or by federal funds from Public Law 106-402, as amended (42 U.S.C. Sec. 15001 et seq.), or both, when the state council allots funds for these purposes in the state plan.

SEC. 33. Section 4568 of the Welfare and Institutions Code is amended to read:

4568. In no event shall the state council allot federal funds from Public Law 106-402, as amended (42 U.S.C. Sec. 15001 et seq.), to state agencies to replace state funds currently allocated to those agencies for the purpose of planning programs for persons with developmental disabilities.

SEC. 34. Chapter 4 (commencing with Section 4570) of Division 4.5 of the Welfare and Institutions Code is repealed.

SEC. 35. Chapter 4 (commencing with Section 4570) is added to Division 4.5 of the Welfare and Institutions Code, to read:

CHAPTER 4. LIFE QUALITY ASSESSMENTS CONDUCTED BY AREA BOARDS

4570. (a) In order to remain informed regarding the quality of services in the area and to protect the legal, civil, and service rights of persons with developmental disabilities, the Legislature finds that it is necessary to conduct life quality assessments with consumers served by the regional centers.

(b) The department shall enter into an interagency agreement with the state council, on behalf of the area boards, to conduct the life quality assessments described in this section. This interagency agreement shall include assurances that the state council shall not direct the area boards in their conduct of these assessments or in the content or format of the annual reports submitted to the council by the area boards.

(c) Consistent with the responsibilities described in this chapter, the area board, with the consent of the consumer and, when appropriate, a family member, shall conduct life quality assessments with consumers living in out-of-home placements, supported living arrangements, or independent living arrangements no less than once every three years or more frequently upon the request of a consumer, or, when appropriate, a family member. A regional center or the department shall annually provide the local area board with a list, including, but not limited to, the name, address, and telephone number of each consumer, and, when appropriate, a family member, the consumer's date of birth, and the consumer's case manager, for all consumers living in out-of-home placements, supported living arrangements, or independent living arrangements, in order to facilitate area board contact with consumers and, when appropriate, family members, for the purpose of conducting life quality assessments.

(d) The life quality assessments shall be conducted by utilizing the "Looking at Life Quality Handbook" or subsequent revisions developed by the department.

(e) The assessments shall be conducted by consumers, families, providers, and others, including volunteer surveyors. Each area board shall recruit, train, supervise, and coordinate surveyors. Upon request, and if feasible, the area board shall respect the request of a consumer and, when appropriate, family member, for a specific surveyor to conduct the life quality assessment. An area board may provide stipends to surveyors.

(f) A life quality assessment shall be conducted within 90 days prior to a consumer's triennial individual program plan meeting, so that the consumer and regional center may use this information as part of the planning process.



(g) Prior to conducting a life quality assessment, the area board shall meet with the regional center to coordinate the exchange of appropriate information necessary to conduct the assessment and ensure timely followup to identified violations of any legal, civil, or service rights.

(h) Following the conduct of each life quality assessment, the area board shall develop a report of its findings and provide a copy of the report to the consumer, when appropriate, family members, and the regional center providing case management services to the consumer. In the event that a report identifies alleged violations of any legal, civil, or service right, the area board shall notify the regional center and the department of the alleged violation. The department shall monitor the regional center to ensure that violations are addressed and resolved in a timely manner.

(i) Regional centers shall review information from the life quality assessments on a systemic basis in order to identify training and resource development needs.

(j) (1) On an annual basis, each area board shall prepare and submit a report to the state council describing its activities and accomplishments related to the implementation of this section. The report shall include, but not be limited to, the number of life quality assessments conducted, the number of surveyors, including those provided stipends, a description of the surveyor recruitment process and training program, including any barriers to recruitment, the number, nature, and outcome of any identified violations of legal, civil, or service rights reported to regional centers, and recommendations for improvement in the life quality assessment process.

(2) By September 15 of each year, the state council shall compile these reports and forward to the Governor, the Legislature, and the department.

(k) Implementation of this section shall be subject to an annual appropriation of funds in the Budget Act for this purpose.

SEC. 36. Section 4691 of the Welfare and Institutions Code is amended to read:

4691. (a) The Legislature reaffirms its intent that community-based day programs be planned and provided as part of a continuum of services to enable persons with developmental disabilities to approximate the pattern of everyday living available to people of the same age without disabilities. The Legislature further intends that standards be developed to ensure high quality services, and that equitable ratesetting procedures based upon those standards be established, maintained, and revised, as necessary. The Legislature intends that ratesetting procedures be developed for all community-based day programs, which include adult development centers, activity centers, infant day programs, behavior



management programs, social recreational programs, and independent living programs.

(b) For the purpose of ensuring that regional centers may secure high quality services for persons with developmental disabilities, the State Department of Departmental Services shall promulgate regulations establishing program standards and an equitable process for setting rates of state payment for community-based day programs. These regulations shall include, but are not limited to:

(1) The standards and requirements related to the operation of the program including, but not limited to, staff qualifications, staff-to-client ratios, client entrance and exit criteria, program design, program evaluation, program and client records and documentation, client placement, and personnel requirements and functions.

(2) The allowable cost components of the program including salary and wages, staff benefits, operating expenses, and management organization costs where two or more programs are operated by a separate and distinct corporation or entity.

(3) The rate determination processes for establishing rates, based on the allowable costs of the allowable cost components. Different rate determination processes may be developed for establishing rates for new and existing programs, and for the initial and subsequent years of implementation of the regulations. The processes shall include, but are not limited to:

(A) The procedure for identification and grouping of programs by type of day program and approved staff-to-client ratio.

(B) The requirements for an identification of the program, cost, and other information, if any, which the program is required to submit to the department or the regional center, the consequences, if any, for failure to do so, and the timeframes and format for submission and review.

(C) The ratesetting methodology.

(D) A procedure for adjusting rates as a result of anticipated and unanticipated program changes and fiscal audits of the program and a procedure for appealing rates, including the timeframes for the program to request an adjustment or appeal, and for the department to respond.

(E) A procedure for increasing established rates and the allowable range of rates due to cost-of-living adjustments.

(F) A procedure for increasing established rates as a result of Budget Act appropriations made pursuant to the ratesetting methodology established pursuant to Section 4691.5 and subdivision (c).

The department shall develop these regulations in consultation with representatives from organizations representing the developmental services system as determined by the department. The State Council on Developmental Disabilities, and other organizations representing



regional centers, providers, and clients shall have an opportunity to review and comment upon the proposed regulations prior to their promulgation. The department shall promulgate these regulations for all community-based day programs by July 1, 1990.

(c) Upon the promulgation of regulations pursuant to subdivision (b), and pursuant to Section 4691.5, and by September 1 of each year thereafter, the department shall establish rates pursuant to the regulations. Rate increases during fiscal years 1990–91 and 1991–92 shall be limited to those specified in subdivision (b). For fiscal year 1992–93 and all succeeding fiscal years, any increases proposed during those years in the rates of reimbursement established pursuant to the regulations, except for rate increases due to rate appeals and rate adjustments based on unanticipated program changes, shall be subject to the appropriation of sufficient funds in the Budget Act, for those purposes, to fully provide the proposed increase to all eligible programs for the entire fiscal year. If the funds appropriated in the Budget Act are not sufficient to fully provide for the proposed increase in the rates of reimbursement for all eligible programs for the entire fiscal year, the proposed increase shall be limited to the level of funds appropriated. The increases proposed in the rates of reimbursement shall be reduced equitably among all eligible providers in accordance with funds appropriated and the eligible programs shall be reimbursed at the reduced amount for the entire fiscal year.

(d) Using the reported costs of day programs reimbursed at a permanent rate and the standards and ratesetting processes promulgated pursuant to subdivision (b) as a basis, the department shall report to the Legislature as follows:

(1) By April 15, 1993, and every odd year thereafter, the difference between permanent rates for existing programs and the rates of those programs based upon their allowable costs and client attendance, submitted pursuant to the regulations specified in subdivision (b). In reporting the difference, the department shall also identify the amount of the difference associated with programs whose rates are above the allowable range of rates, which is available for increasing the rates of programs whose rates are below the allowable range, to within the allowable range, and any other pertinent cost or rate information which the department deems necessary.

(2) By April 15, 1994, and every even year thereafter, the level of funding, if any, which was not appropriated to reimburse providers at the proposed rates reported the prior fiscal year pursuant to paragraph (1), and any other pertinent cost or rate information which the department deems necessary.



(3) The April 15, 1996, report pursuant to paragraph (2) shall be prepared jointly by the department and organizations representing community-based day program providers, as determined by the department. That report shall also include a review of the ratesetting process and recommendations, if any, for its modification.

(e) Rates established by the department pursuant to subdivision (b) are exempt from the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(f) The department shall ensure that the regional centers monitor compliance with program standards.

SEC. 37. Section 4712 of the Welfare and Institutions Code is amended to read:

4712. (a) The fair hearing shall be held within 50 days of the date the hearing request form is received by the service agency, unless a continuance based upon a showing of good cause has been granted to the claimant. The service agency may also request a continuance based upon a showing of good cause, provided that the granting of the continuance does not extend the time period for rendering a final administrative decision beyond the 90-day period provided for in this chapter. For purposes of this section, good cause includes, but is not limited to, the following circumstances:

(1) Death of a spouse, parent, child, brother, sister, grandparent of the claimant or authorized representative, or legal guardian or conservator of the claimant.

(2) Personal illness or injury of the claimant or authorized representative.

(3) Sudden and unexpected emergencies, including, but not limited to, court appearances of the claimant or authorized representative, conflicting schedules of the authorized representative if the conflict is beyond the control of the authorized representative.

(4) Unavailability of a witness or evidence, the absence of which would result in serious prejudice to the claimant.

(5) An intervening request by the claimant or his or her authorized representative for mediation.

(b) Notwithstanding Sections 19130, 19131, and 19132 of the Government Code, the department shall contract for the provision of independent hearing officers. Hearing officers shall have had at least two years of full-time legal training at a California or American Bar Association accredited law school or the equivalent in training and experience as established by regulations to be adopted by the department pursuant to Section 4705. These hearing officers shall receive training in the law and regulations governing services to developmentally disabled individuals and administrative hearings. Training shall include,



but not be limited to, the Lanterman Developmental Disabilities Services Act and regulations adopted thereunder, relevant case law, information about services and supports available to persons with developmental disabilities, including innovative services and supports, the standard agreement contract between the department and regional centers and regional center purchase-of-service policies, and information and training on protecting the rights of consumers at administrative hearings, with emphasis on assisting, where appropriate, those consumers represented by themselves or an advocate inexperienced in administrative hearings in fully developing the administrative record. The State Department of Developmental Services shall seek the advice of the State Council on Developmental Disabilities, the protection and advocacy agency designated by the Governor in this state to fulfill the requirements and assurances of the federal Developmental Disabilities Assistance and Bill of Rights Act of 2000, contained in Chapter 144 (commencing with Section 15001) of Title 42 of the United States Code, the Association of Regional Center Agencies, and other state agencies or organizations and consumers and family members as designated by the department in the development of standardized hearing procedures for hearing officers and training materials and the implementation of training procedures by the department. The department shall provide formal training for hearing officers on at least an annual basis. The training shall be developed and presented by the department, however, the department shall invite those agencies and organizations listed in this subdivision to participate.

(c) The hearing officer shall not be an employee, agent, board member, or contractor of the service agency against whose action the appeal has been filed, or a spouse, parent, child, brother, sister, grandparent, legal guardian, or conservator of the claimant, or any person who has a direct financial interest in the outcome of the fair hearing, or any other interest which would preclude a fair and impartial hearing.

(d) The claimant and the service agency shall exchange a list of potential witnesses, the general subject of the testimony of each witness, and copies of all potential documentary evidence at least five calendar days prior to the hearing. The hearing officer may prohibit testimony of a witness that is not disclosed and may prohibit the introduction of documents that have not been disclosed. However, the hearing officer may allow introduction of the testimony or witness in the interest of justice.

(e) The fair hearing shall be held at a time and place reasonably convenient to the claimant and the authorized representative. The



claimant or the authorized representative of the claimant and the regional center shall agree on the location of the fair hearing.

(f) Merits of a pending fair hearing shall not be discussed between the hearing officer and a party outside the presence of the other party.

(g) The hearing officer shall voluntarily disqualify himself or herself and withdraw from any case in which he or she cannot accord a fair and impartial hearing or consideration. Any party may request the disqualification of the hearing officer by filing an affidavit, prior to the taking of evidence at a hearing, stating with particularity the grounds upon which it is claimed that a fair and impartial hearing cannot be accorded. The issue shall be decided by the hearing officer.

(h) Both parties to the fair hearing shall have the rights specified in subdivision (f) of Section 4701.

(i) The fair hearing need not be conducted according to the technical rules of evidence and those related to witnesses. Any relevant evidence shall be admitted. Both parties shall be allowed to submit documents into evidence at the beginning of the hearing. No party shall be required to formally authenticate any document unless the hearing officer determines the necessity to do so in the interest of justice. All testimony shall be under oath or affirmation which the hearing officer is empowered to administer.

(j) A service agency shall present its witnesses and all other evidence before the claimant presents his or her case unless the parties agree otherwise or the hearing officer determines that there exists good cause for a witness to be heard out of order. This section does not alter the burden of proof.

(k) A recording shall be made of the proceedings before the hearing officer. Any cost of recording shall be borne by the responsible state agency.

(l) The fair hearing shall be conducted in the English language. However, if the claimant, the claimant's guardian or conservator, parent of a minor claimant, or authorized representative does not understand English, an interpreter shall be provided by the responsible state agency.

(m) The fair hearing shall be open to the public except at the request of the claimant or authorized representative or when personnel matters are being reviewed.

(n) The agency awarded the contract for independent hearing officers shall biennially conduct, or cause to be conducted, an evaluation of the hearing officers who conduct hearings under this part. The department shall approve the methodology used to conduct the evaluation. Information and data for this evaluation shall be solicited from consumers who were claimants in an administrative hearing over the past two years, their family members or authorized representative if



involved in the hearing, regional centers, and nonattorney advocates, attorneys who represented either party in an administrative hearing over the past two years, and the organizations identified in subdivision (b). Regional centers shall forward copies of administrative decisions reviewed by the superior court to the department. The areas of evaluation shall include, but not be limited to, the hearing officers' demeanor toward parties and witnesses, conduct of the hearing in accord with fairness and standards of due process, ability to fairly develop the record in cases where consumers represent themselves or are represented by an advocate that does not have significant experience in administrative hearings, use of legal authority, clarity of written decisions, and adherence to the requirements of subdivision (b) of Section 4712.5. The department shall be provided with a copy of the evaluation and shall use the evaluation in partial fulfillment of its evaluation of the contract for the provision of independent hearing officers. A summary of the data collected shall be made available to the public upon request, provided that the names of individual hearing officers and consumers shall not be disclosed.

SEC. 38. As of January 1, 2003, the area boards on developmental disabilities will become a program within the State Council on Developmental Disabilities. As of January 1, 2003, no further expenditures shall be charged against Item 4110-001-0001 of Section 2.00 of the Budget Act of 2002. All remaining area board appropriation authority, including reimbursements for the clients' rights advocacy program, volunteer advocacy services program, and the life quality assessment program pursuant to the Lanterman Act existing interagency agreements with the State Department of Developmental Services, shall be transferred to items in Section 2.00 of the Budget Act of 2002 for which the first four digits are 4100, and the schedule shall be amended accordingly. It is the intent of the Legislature that the funding appropriated for the area boards in the Budget Act of 2002 shall not be reduced as a result of this section.

